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THE BUDGET MESSAGE And Budget Summary



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Submitted by
GOVERNOR JOSEPH P. TEASDALE
To the First Session
80th GENERAL ASSEMBLY OF MISSOURI
City of Jefferson

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EXECUTIVE OFFICE
STATE OF MISSOURI
JEFFERSON CITY

JOSEPH P. TEASDALE
GOVERNOR

January 9, 1979

Dear Missourians:

I am convinced it is through the budget process that we can best improve state government, to make it what the people want it to be. It is important that we carefully balance our needs and our resources. There is a need to carefully evaluate every current program and every request for increased funding. I have done this, and I believe this proposed budget truly reflects a budget of moderation, prudence, common sense and compassion.

My BUDGET CUTS include:

- 1) CUTTING \$387,316,973 from total budget requests.
- 2) CUTTING \$50,831,117 in current government programs.
- 3) CUTTING requested total proposed government employees by 4,264 positions.
- 4) CUTTING 966 existing state jobs.

In addition, the budget provides increases to meet essential needs for:

- 1) The Elderly.
- 2) Education.
- 3) Mental Health.
- 4) Public Safety.

Taken together, my budget and tax package will:

- 1) Cut taxes by \$150 million.
- 2) Enact major corporate tax reform.
- 3) Put a Limit on State Spending.
- 4) Refund to individual taxpayers \$53 million in taxes in 1979.

I am convinced that with this budget and my tax reform program we have found that delicate balance. I worked hard at making the decisions which put this budget together. I believe in it for it is the kind of a budget the people have wanted and hoped for, but never received.

Sincerely,

A handwritten signature in cursive script that reads "Joseph P. Teasdale".
Joseph P. Teasdale
Governor

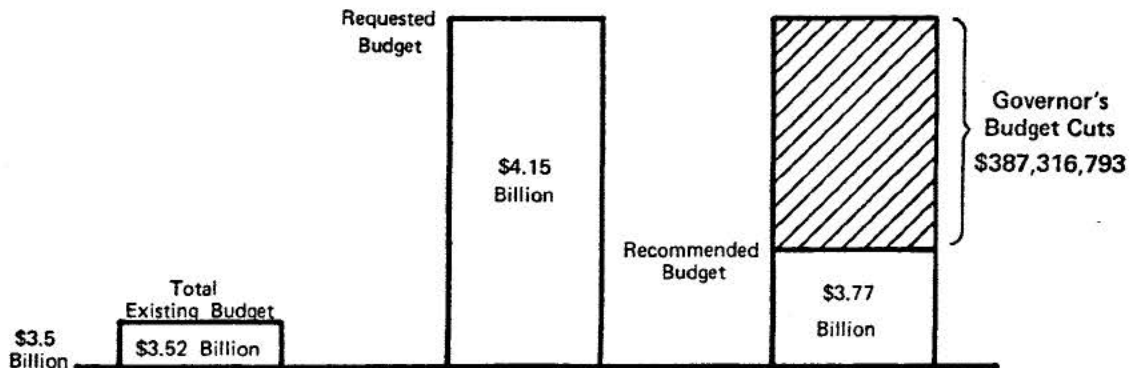
BUDGET AT A GLANCE

I. TOTAL CUTS FROM BUDGETS – \$387,316,793 CUT

I have carefully reviewed all requests for existing and new state programs. We can no longer permit the continued rambling, unchecked growth of government. Every proposed program increase must be carefully weighed against current government services and then balance against our resources.

SOME INCREASES ARE JUSTIFIED; HOWEVER, I HAVE CUT \$387,316,793 FROM BUDGET REQUESTS, AND I HAVE CUT 4,264 PROPOSED GOVERNMENT POSITIONS.

TOTAL BUDGET CUTS



II. BUDGET CUTS FROM EXISTING PROGRAMS – \$50,831,117 CUT

Cutting existing waste and duplication is as important as preventing it in the future. Therefore, I have carefully reviewed current programs and found some to be too costly, not working well, or duplicating other government or private programs.

I HAVE CUT \$50,831,117 FROM EXISTING PROGRAMS, AND I HAVE CUT 966 GOVERNMENT POSITIONS.

CUTS FROM EXISTING BUDGET LEVELS BY DEPARTMENT (All Funds)

<u>DEPARTMENT</u>	<u>TOTAL REDUCTIONS</u>	<u>POSITION REDUCTIONS</u>
Revenue	\$ 585,829	46.0
Elementary & Secondary Education	2,200,000	
Agriculture	258,431	4.0
Natural Resources	10,266,697	33.0
Public Safety	691,682	9.0
Social Services	26,499,384	279.7
Consumer Affairs, Regulation and Licensing	1,247,497	
Mental Health	2,825,033	407.0
Higher Education	5,818,579	175.0
Office of Administration	206,785	10.0
Office of the Governor	<u>231,200</u>	<u>2.0</u>
	\$50,831,117	965.7

III. PROPOSED TAX CUTS – \$150,000,000 CUT

The primary source of funding for the budget is General Revenue.

I AM PROPOSING A \$150,000,000 CUT IN TAXES THAT MAKE UP
GENERAL REVENUE.

TAX SAVINGS

Taxes Eliminated

State Utility Sales Tax	\$36,000,000	
Inheritance Tax	16,000,000	
Farm Equipment Sales Tax	10,000,000	
State Property Tax	<u>4,000,000</u>	
Total Eliminations		\$ 66,000,000

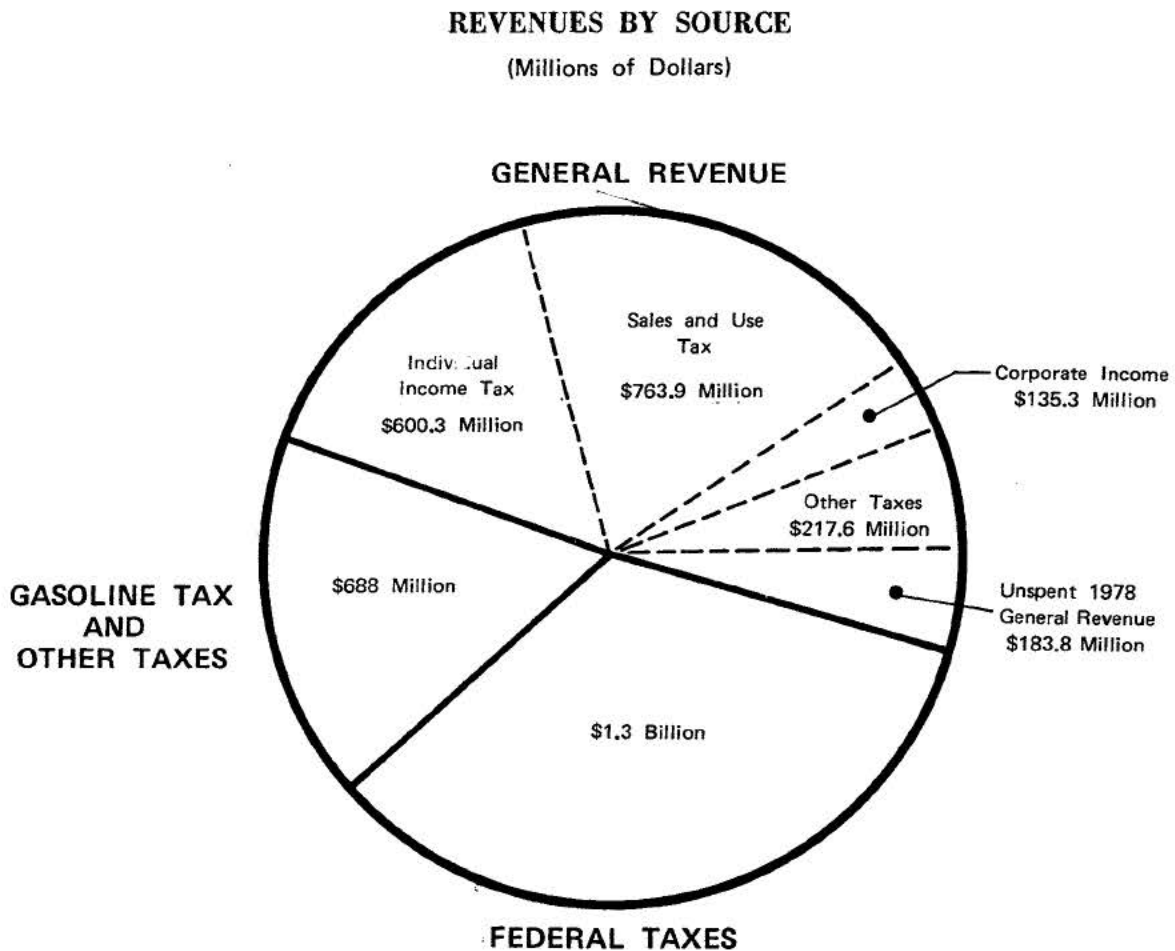
Other Tax Cuts

Surplus Refund	53,000,000	
Personal Income Tax Reduction	<u>31,000,000</u>	
Total Tax Savings		\$150,000,000

IV. TAXES TO PAY FOR THE BUDGET

The chart below lists how much of the revenues that pay for the budget come from each major tax in the 1980 fiscal year.

TAX REVENUES TO PAY FOR THE MISSOURI 1980 BUDGET TOTAL
\$3,922,879,274.



V. PROPOSED BUDGET EXPENDITURES

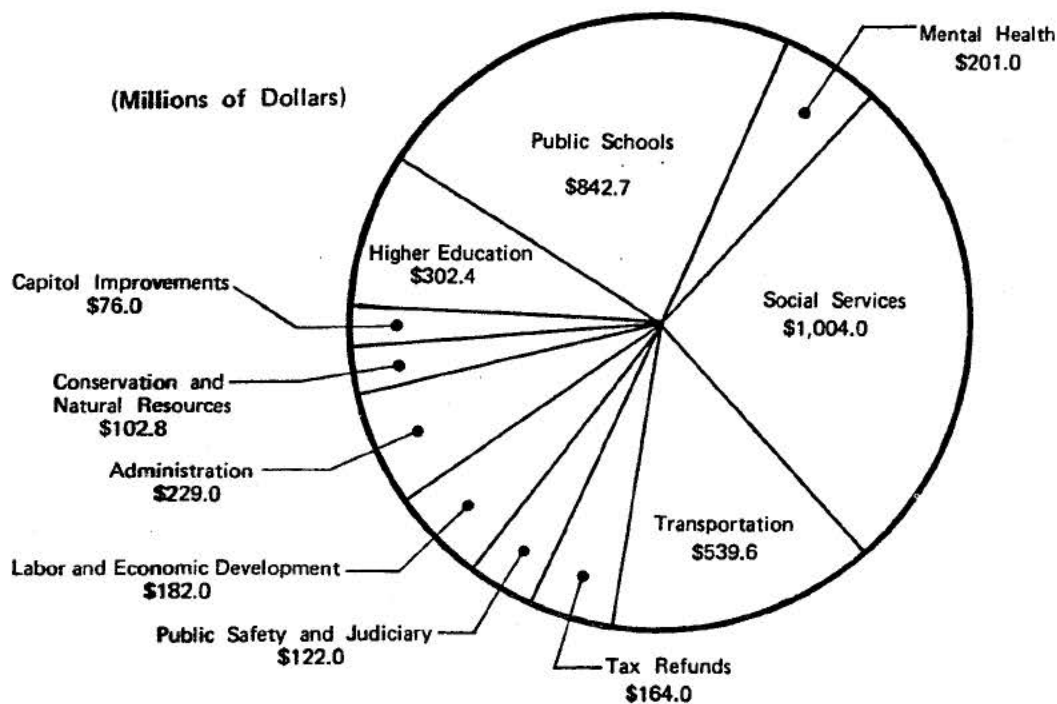
The following chart shows where in state government tax dollars will be spent under the Governor's budget.

After needed cuts were made in existing programs, certain increases were allowed where they were essential. The essential need areas included programs for:

- THE ELDERLY
- EDUCATION
- CHILDREN
- FIGHTING WELFARE FRAUD
- MENTAL HEALTH
- ECONOMIC GROWTH AND JOBS

Part of the dollar difference between the total expenditures proposed in the chart below and total revenues will be used to establish an emergency fund and to pay for supplemental appropriations.

PROPOSED BUDGET EXPENDITURES TOTAL \$3,766,343,813



BUDGET MESSAGE

THE MISSOURI STATE BUDGET

**AN ADDRESS BY
GOVERNOR JOSEPH P. TEASDALE
TO THE
FIRST SESSION
80TH GENERAL ASSEMBLY OF MISSOURI**

**CITY OF JEFFERSON
JANUARY 9TH, 1979**

When I appeared before you last week, I advised you that I would present the leanest state budget in recent years . . . a program of state spending with moderation, prudence, common sense and compassion.

I am convinced that Missouri taxpayers expect it. It is their money, their power and their government.

They not only cannot afford their government, they know that it has become inflationary.

Our citizens know government has grown too big. It has also grown too remote from the people it serves. Those in government have too often forgotten that it is the people who are the masters.

For more than a generation, people have seen their money being poured into ever-expanding government programs.

Each year, government has been spending more and more, adding layer on layer.

Every new program has meant bigger government . . . seldom a reduction somewhere else.

Now the people are saying "no". They want a halt to automatic increases. They are no longer willing to support or permit the continued unchecked growth of government.

They recognize the need to maintain government programs which meet essential human needs. But they are ordering us to measure every program against that test.

Therefore, I must ask everyone to sacrifice, to tighten their belt. Everyone should bear a fair share of the burden.

To summarize: In this budget I have tried in earnest to comply with the people of Missouri's urgent call to hold down the cost of their government.

In doing so I have sought to use moderation, prudence, common sense and compassion.

Those are easy words to say, but they represent a goal difficult to achieve.

It means making a careful and thorough examination of every budget request and every existing program. It means trying to evaluate — as fairly and honestly as possible — our needs and resources.

It requires the fortitude to set priorities, to make cuts in spending, to stop the trend of unchecked government growth and to fight inflation.

My success in doing this is best measured not in words, but in the dollar figures themselves.

First, I have cut 336 million dollars in new increased spending requests from state agencies. Each decision was carefully made, and many were painful.

Second, I have dug deeper. I have closely examined all current programs. I have determined we can cut 50 million dollars from existing government spending.

Stated another way, I have cut into the existing bureaucracy. I have reduced what government was allowed to spend in the past by 50 million dollars.

This is the first time a cut of this magnitude has ever been proposed in existing programs.

California's Proposition 13 sought to limit primarily the growth of government. Reforms in other states have done the same thing — looked only to the future and ignored the already existing waste and duplication.

Continuing to cut existing waste and duplication is as important as preventing it in the future. This 50 million dollar cut represents the excesses that we can no longer afford and that I am determined to eliminate. It means, too, that we may not meet some reasonable needs which are secondary to the greater need to save taxpayer dollars.

These reductions mean cutting more than just dollars.

In addition to demanding new limits on what we may spend, taxpayers are calling for a reduced bureaucracy. They know there is duplication in government; there are too many people not being fully utilized. They know there is room to trim the number of employees they pay. I agree.

Therefore, I have denied requests from state agencies for 3,298 new full-time government employees.

Again, I have also examined the staff in existing programs. I am recommending a reduction of 966 existing full-time state government jobs.

These reductions will allow us to meet the demand to hold government growth in check.

As you know, I have proposed legislation limiting the growth rate of state government. It should be held lower than the growth rate of the personal incomes of our citizens. I hope you pass such a law.

But I am pleased to report to you that if such a law were already on our books today, the budget I am proposing would fall well within its limits.

This tight spending policy along with the comprehensive tax package I have proposed, will continue to trim much of the fat from state government. It will help taxpayers hold down inflation. It will reduce or eliminate programs which fail to meet the test of "essential human needs". Yet, it will still allow us to continue, and in some cases expand, needed programs.

Taken together, the budget and tax package will:

Provide a 150 million dollar tax cut program

- Require corporations to pay their fair share of state taxes
- Begin now, and assure for the future, a sensible limit on state spending
- And return to individual taxpayers 53 million dollars in tax refunds.

Developing this budget policy was not easy. It not only took a lot of time, but it required a lot of very hard decisions. But that is part of my duty. These decisions — however difficult — are a vital part of the leadership Missourians expect from their Governor.

Obviously no speech can review all of the items in the budget. Some of them, however, reflect individually what I have tried to do with all our spending patterns.

For example, we should reduce the staff administering the income maintenance program in the Division of Family Services.

The number of welfare recipients served by this staff has been declining, but the staff has not been reduced.

Administrative costs are too high, and I can do something about it. I am recommending elimination of 210 existing staff positions, at an annual savings of 1.9 million dollars.

I have denied other increased spending requests from the Department of Social Services.

In their proposed budget, 3.3 million dollars were requested for 200 additional jobs in the Food Stamp Program.

However, I am convinced that the existing staff can adequately handle the workload. I am not recommending the request.

Furthermore, 2.1 million dollars were requested in increased spending for the Division of Probation and Parole.

I am only recommending 486 thousand dollars of that to handle responsibilities under the new Criminal Code and Judicial Article.

We must not add staff with every change in a government program. Probation and Parole can deal with their workloads with a more measured, slower growth in staff, rather than the increase requested.

However, I am recommending an increase of 5.9 million dollars for the Judicial System to implement the new Judicial Article. I am convinced this is necessary this year.

The Weight Inspection Program is another good example.

The workload of weight inspectors simply does not justify the existing budget. I am therefore recommending a reduction of nine positions and a cut of 195 thousand dollars in this area. That will allow the State to continue to operate all current stations and still save money.

I realize 195 thousand dollars may not sound like much in a budget of 3.8 billion dollars, but, it represents all the state taxes paid by 329 average Missourians. That alone makes it, and every other dollar we spend, very important.

While every department has programs which must be maintained at current levels or even increased, they all have programs which can and should be cut.

Like you, I am committed to providing support for Higher Education. However, at State Universities and Regional Colleges certain student services, such as Health Care and Entertainment, are now funded through state tax dollars and fees.

I am convinced these are duplicate services available through the private sector and other government programs. They cannot justify the expenditure of our dollars.

I am, therefore, recommending a 16 percent reduction in funds for these services, at a savings of almost 3.2 million dollars.

I believe my commitment to improving our State Mental Health Program is clear. However, there are operations in that department which cannot be justified.

My budget recommends that we reduce 407 positions in the staffs of the hospitals and institutions.

This is a reduction of 2.8 million dollars for these specific positions.

These funds can be spent by the department to provide better care more efficiently.

With the closing of two large nursing homes in St. Louis, the State had to relocate 150 mental health patients.

To continue to care for these patients until most of them can be placed in community facilities, it is necessary to provide 1.9 million dollars to pay for staff and expenses next year.

To provide better mental health care at the local level, I am recommending an additional 9 million dollars for continued expansion of Community Mental Health Services.

However, I have critically analyzed the Department of Mental Health budget, and although I am recommending these increases, I am not recommending an additional 25.7 million dollars in funding requested.

These other items simply have not been thoroughly researched and justified.

The Mental Health Commission is working on reorganization and a long-range plan. I expect it to be ready for use in preparing the 1981 budget.

A tough decision — always — is state salary levels. I received requests this year for increases ranging up to 25 percent and more.

The State needs to pay enough to attract the service of competent people. However, there is a real limit to what taxpayers can afford. If inflation is to be controlled, the government must exercise leadership. Consequently, I am recommending a 5.5 percent increase for state employee salaries in 1980.

I have not recommended funds for additional merit increases as in the past. However, to the extent that agencies can become more efficient and operate within their budget; they can provide extra merit increases.

There are areas where increased expenditures are essential.

One of your first priorities must be approving emergency appropriations to provide funds necessary to complete this fiscal year.

Other increases are in areas of "essential needs".

While enrollments in Elementary and Secondary Schools continue to decline, there still exists great inequity between the wealth of school districts and thus the quality of education.

Consequently, I am recommending 56.8 million dollars in increased General Revenue funding. This is for the third year implementation of the new State School Foundation Formula.

The elderly are among those in the greatest need of our help to have a dignified, decent life.

To assure that, I am recommending an increase of 1.9 million dollars to provide basic, life-sustaining services to the elderly in their homes, and 154 thousand dollars in additional funding for special transportation services for the elderly.

Not only is it morally desirable to help senior citizens remain in their own homes, it is also less expensive to the taxpayer than institutional nursing care.

It is right, and it makes sense.

We must assure quality care in nursing homes in Missouri. I am recommending 44 new staff for the Department of Social Services, at a cost of 1.4 million dollars to inspect and license nursing homes.

I am recommending 18 million dollars for full funding of Senate Bill 492, passed by the last General Assembly. This will substantially increase the payments for people in nursing homes. For the first time, it will provide payments for boarding home residents.

I want to insure that the needs of Missouri's senior citizens are given the priority they deserve in state government.

I am therefore recommending a new Division of Aging be created in the Department of Social Services.

This new division will be able to serve the elderly by administering the comprehensive range of services available to them.

The administrative staff of the new division will be funded at no additional cost to the taxpayers by reducing staff in other areas of the Department of Social Services.

These are but a few examples of the immense detail included in our spending plan. This year, for the first time, there is a separate budget summary for your use, and so the people can better know what we are doing with their money.

As I have stated repeatedly today, the urgent needs and demands of our masters — the taxpayers of Missouri — require that we begin a new trend in government.

Today we begin a new trend of reduced programs, cuts in spending, real attention to valid priorities, and doing our part in the State's fight against inflation.

This responsibility we share, as public servants, demands that we continue along the lines set out in this budget policy.

Therefore, in the next few weeks — while you work on this budget — I intend to announce the formation of a special task force in the Executive Branch. It will begin now to work on the budget for next year.

This year I learned from the budget process that, if we are to completely succeed in eliminating waste, we must start earlier, dig deeper, question every item with year-round vigilance, watchful of every taxpayer dollar.

In conclusion:

I honestly believe that this spending program for Missouri does what the people want it to do — share the burden of sacrifice fairly, reduce sharply the increased spending of their dollars and still provide that which is essential for government in this difficult and inflationary time.

BUDGET RECOMMENDATIONS FOR MAJOR STATE DEPARTMENTS

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Career and Adult Education	\$ 45,429,589	\$ 55,428,820	\$ 62,837,511	\$ 54,685,544
Vocational Rehabilitation	30,604,341	36,208,519	37,264,080	37,126,380
General Administration & Instruction	594,380,139	655,794,928	728,657,347	727,425,145
School for the Deaf	2,252,179	2,421,913	2,718,529	2,682,225
School for the Blind	2,175,439	2,599,544	2,723,972	2,694,355
Programs for the Handicapped	12,965,989	15,372,566	16,874,303	16,755,602
Mo. Advisory Council on Vocational Education	182,972	170,341	177,510	175,845
State Occupational Information Comm.	-0-	130,928	133,094	132,534
State Public School Fund	1,000,000	1,000,000	1,000,000	1,000,000
DEPARTMENTAL TOTAL	\$688,990,648	\$769,127,559	\$852,386,346	\$842,677,630
General Revenue Fund	18,937,940	27,065,682	26,815,087	26,574,170
Federal Funds	164,579,010	190,241,306	206,918,447	206,691,346
State School Moneys Fund*	502,964,698	550,053,571	610,535,812	607,645,114
Trust Funds	517,000	767,000	767,000	767,000
State Public School Fund	1,000,000	1,000,000	1,000,000	1,000,000
Revenue Sharing Trust Fund	992,000	-0-	6,350,000	-0-

* State School Moneys Fund amounts include the following transfers from general revenue: \$442,964,698 in FY 1978; \$490,053,571 in FY 1979; \$550,535,812 in Request FY 1980; and \$547,645,144 in Governor Recommends FY 1980.

Full-time equivalent employees	1,783.18	1,882	1,882	1,882
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I. ZERO-BASE RECOMMENDATIONS

CAREER AND ADULT EDUCATION

The Governor conducted a special review of the request for funding construction of area vocational schools. With the overall decline in enrollment in elementary and secondary education, the Governor recommends no funding for construction of new area vocational schools or expansion of existing schools. The Department should encourage local school districts to utilize existing buildings for vocational education programs. In addition to reviewing funding for vocational school construction, the Governor has the following recommendations:

Following zero-base review of the vocational education distribution to local schools, the Governor recommends increasing the FY 1980 appropriation by \$472,190 over the FY 1979 appropriation. The increase will allow the Department to maintain the 50% salary reimbursement for area vocational school teachers. Programs opening in three new area vocational schools are also recommended for funding.

After reviewing the statewide testing program, the Governor recommends the program be funded at \$71,661 over the FY 1979 appropriation. The increased funding will enable the Department to complete the primary grades testing system by adding testing in the second, third and fifth grades. The number of students tested will be increased by 131,629.

Following zero-base review, the Governor recommends that the adult basic education program receive \$708,193 more in the FY 1980 appropriation than was appropriated in FY 1979. The increased funding will provide basic education to over 35,000 adults in Missouri.

GENERAL ADMINISTRATION AND INSTRUCTION

After reviewing core program requests of the Department, the Governor recommends no funds be appropriated for the aid to reorganized school districts. The funds no longer serve as a significant incentive for school districts to reorganize.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

POLICY SUMMARY (Continued)

II. OTHER MAJOR RECOMMENDATIONS

GENERAL ADMINISTRATION AND INSTRUCTION

The Governor recommends an increase of \$56,777,352 in the foundation plan for support of public schools. The increase will provide \$479,267,065 for the foundation formula, \$53,350,000 for aid to exceptional pupils, and \$51,000,000 for transportation aid.

STATE SCHOOLS FOR SEVERELY HANDICAPPED

The Governor's FY 1980 recommendation for the State Schools for Severely Handicapped is \$1,170,641 over the FY 1979 appropriation. The recommendation will provide funds for 31 new buses for the state schools. Also included in the recommendation are funds to provide educational services for an additional 50 students.

DEPARTMENT OF HIGHER EDUCATION

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Office of the Commissioner	\$ 8,382,918	\$ 11,455,978	\$ 13,139,067	\$ 11,944,743
Missouri State Library	3,508,499	4,718,026	5,140,325	4,093,233
Institutions of Higher Education				
Central Mo. State University	14,874,055	16,260,600	18,949,908	17,484,162
Southeast Mo. State University	12,393,461	14,064,370	16,707,232	15,364,019
Southwest Mo. State University	16,456,792	18,552,712	22,103,558	19,629,422
Lincoln University	5,097,272	5,611,743	5,968,641	5,836,213
Northeast Mo. State University	9,767,853	10,882,813	12,532,971	11,492,941
Northwest Mo. State University	8,010,649	8,849,577	9,547,914	9,203,560
Missouri Southern State College	5,256,298	5,963,207	6,802,293	6,201,735
Missouri Western State College	5,223,947	5,818,507	6,308,315	6,054,247
University of Missouri				
Education and General	125,075,873	137,759,672	155,088,775	147,595,119
Hospital and Misc. Programs	14,766,002	15,417,966	17,756,872	16,659,306
Harris-Stowe College	1,450,000	1,775,000	2,475,447	2,475,447
Public Junior Colleges	21,805,518	28,366,378	33,392,412	28,366,378
DEPARTMENT TOTAL	\$252,069,137	\$285,496,549*	\$325,913,730	\$302,400,525
General Revenue	247,509,958	279,580,830	320,217,521	296,713,555
Federal Funds	2,526,676	3,915,741	3,473,375	3,469,289
Other Funds	2,032,503	1,999,978	2,222,834	2,217,681

* Includes Recommended Emergency Appropriation of \$67,998 from the Guaranty Student Loan Fund for the Missouri Guaranteed Student Loan Program.

POLICY SUMMARY

I. Zero-Base Recommendations

Missouri State Library

The Governor, following a zero-base review, recommends that state aid to public libraries be funded at the current level or \$1,416,003. The recommendation will allow the Missouri State Library to distribute state funds at the rate of 34¢ per capita. The recommendation will also provide for approximately 4.8 percent of total library expenditures and 6.6 percent of salary and book acquisition expenditures.

Regional Colleges and Universities

The Governor recommends a reduction in student services at all regional colleges and universities to 8 percent of the institutions' total budgets. This will reduce the institutions' overall base budgets 17.8 percent for a savings to the state of \$1,981,220, without affecting the academic mission of the institutions.

The University of Missouri is going to provide a savings to the state of \$2,605,769 through reallocations and increases in other sources of revenue. The Governor endorses the University's sound administrative and fiscal approach and recommends that they use those funds for program additions and improvements.

II. Other Major Recommendations

Office of the Commissioner

The Governor recommends \$215,876 from the guaranteed student loan fund for full implementation of a guaranteed student loan program created with the passage of House Bill 891, 79th General Assembly. The program will consist of six persons involved with the processing of loan applications and the recruitment of lenders. Because of federal incentives for participation and user fees paid by the student, the program will be completely self-supporting after the first year of operation.

DEPARTMENTAL POLICY SUMMARY (Continued)

Missouri State Library

The Governor recommends \$80,000 for a census project for the Missouri State Library. This recommendation will permit the library to negotiate a contract with the Public Affairs Information Service at the University of Missouri to facilitate preliminary design and development of necessary retrieval of information from census tapes provided by the U.S. Bureau of the Census. Approximately 90 percent of the information collected will be available on computer tape.

Regional Colleges and Universities

The Governor's recommendations for the four-year institutions of higher education include, within the framework of the funding formula developed by the Coordinating Board for Higher Education, funds for the repair and replacement of equipment. A need has been demonstrated for higher education in the Bootheel region of southeastern Missouri. The Governor's recommendation for Southeast Missouri State University includes \$64,141 for the Bootheel project which will provide the needed access to higher education in that area.

DEPARTMENT OF REVENUE

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Administration	\$ 2,917,703	\$ 3,990,212	\$ 4,658,360	\$ 3,838,409
Division of Information Systems	2,578,975	3,113,630	4,013,392	3,588,843
Division of Taxation	6,296,356	6,989,305	8,397,815	7,298,407
Division of Motor Vehicle	6,665,233	8,308,866	8,046,113	6,974,580
Branch Offices	2,303,882	2,353,844	2,633,365	2,483,048
Highway Reciprocity Commission	270,789	341,310	428,156	354,957
State Tax Commission	917,545	1,192,770	1,695,550	1,273,806
Refunds	159,862,733	169,166,000	163,966,000	163,966,000
DEPARTMENTAL TOTAL	\$181,813,216	\$195,455,937	\$193,838,751	\$189,778,050
General Revenue Fund	\$111,168,488	\$116,659,878	\$114,431,378	\$112,297,369
Federal Funds	61,596	109,085	-0-	-0-
Highway Fund	21,158,944	26,686,974	27,407,373	25,480,681
Motor Fuel Tax Fund	37,068,153	39,000,000	39,000,000	39,000,000
County Aid Road Trust Fund	12,356,035	13,000,000	13,000,000	13,000,000

POLICY SUMMARY

I. ZERO-BASE RECOMMENDATIONS

Administration

The Governor's recommendation reflects a total core reduction of \$151,803 from the FY 1979 level. This is possible through a redistribution of the current workload which will result in the reduction of 4 positions (\$38,623) and the remaining \$113,180 decrease is due to one-time purchases of vehicles and office equipment.

Information Systems Division

Following a zero-base review, the Governor recommends funding the the Tax and Transportation Data Entry Section at its FY 1979 level plus a 5.5% cost of living increase (\$64,389). This will ensure timely and accurate preparation of vehicle and taxation information for computer storage.

Division of Taxation

A zero-base review has resulted in the Governor's recommendation of reducing the Division of Taxation by 32 positions (\$296,361). This reduction is possible due to the reallocation or automation of various functions in the Division.

Division of Motor Vehicle and Drivers License

The Governor recommends funding of photo-vision testers at the FY 1979 level plus a 5.5% cost-of-living increase (\$40,168). This will ensure proper photo vision service for all drivers license applicants. The recommendation also includes a core reduction of the 5 positions (\$57,768) associated with the traffic liaison program which is being discontinued.

Branch Offices

The Governor recommends funding the branch offices at the FY 1979 level plus the cost-of-living increase (\$113,745). A zero-base review resulted in a recommendation for continued funding of existing branch offices to provide services to Missouri citizens.

II. OTHER MAJOR RECOMMENDATIONS

Information Systems Division

The Governor recommends \$424,350 for the design and implementation of a Missouri Integrated Tax System and \$155,505 for continued development of the General Registration System. These two systems will enable the Department to provide better service to citizens and increase revenue collections. The Missouri Integrated Tax System will automate current tax records systems and should result in an estimated \$500,000 in increased interest through more timely billings in various business taxes. The General Registration System will enable the Division of Motor Vehicles to trace titles and license plates, thus reducing the number of illegally registered vehicles and increase revenues collected. The System will also provide an inventory control of license plate distributions.

Division of Taxation

The Governor recommends an additional \$207,450 in general revenue for microfilming and mail handling equipment to accommodate the Missouri Integrated Tax System. The recommendation also includes \$100,000 for the implementation of a Lock-Box-System. This system will provide direct bank deposit of certain tax payments, thus increasing interest earned by an estimated \$300,000 for FY 1980.

OFFICE OF ADMINISTRATION

DEPARTMENTAL SUMMARY

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Commission and Central Staff	\$ 283,969	\$ 360,016	\$ 400,472	\$ 393,144
Division of Accounting	3,550,257	5,064,452	4,072,408	3,933,238
Division of Budget and Planning	1,881,175	2,316,778	2,385,052	2,306,798
Division of Design and Construction	5,073,212	6,404,073	8,386,186	8,138,169
Division of Electronic Data	2,688,407	2,919,410	4,769,547	4,268,566
Processing Coordination				
Division of Flight Operations	1,486,456	981,369	428,035	420,487
Division of Personnel	1,124,463	1,304,432	1,543,852	1,480,302
Division of Purchasing	1,376,668	2,160,860	3,664,126	3,605,161
Employee Benefit Disbursements	64,419,055	83,358,266	143,927,992	95,308,590
Miscellaneous Disbursements	28,385,461	33,632,430	38,089,794	38,089,794
DEPARTMENTAL TOTAL	\$110,269,123	\$138,502,086	\$207,667,464	\$157,944,249
General Revenue Fund	82,989,089	104,758,251	156,926,608	118,138,914
Federal Funds	4,860,348	6,521,499	10,589,435	8,090,190
Highway Fund	862,034	1,024,707	1,256,310	1,910,842
Revolving Fund	709,607	750,893	1,859,910	1,599,050
Revenue Sharing Fund	1,325,836	-0-	-0-	-0-
Conservation Fund	108,531	52,813	133,916	260,878
Surplus Clearing Fund	-0-	500,000	650,000	650,000
All other Funds	19,413,678	24,893,923	36,251,285	27,294,375

POLICY SUMMARY

I. Overview

The Office of Administration is the state's service and administrative control agency. The state's accounting, budgeting and planning, design and construction, flight services, computer, personnel and purchasing functions are within this department.

II. Zero-Base Recommendations

The Governor's recommendations are the result of a limited zero-base review of the departments request. The review was based upon an analysis of existing programs and program expansions. Personnel and equipment costs in each division and program were reviewed and in some instances decreased. A summary of the reductions reveals ten positions with a resulting decrease of \$112,500 in personal services and \$94,285 in expense and equipment funds.

III. Other Major Recommendations

Financial Management and Control System Development - The Governor recommends continued development and implementation of a statewide Financial Management and Control System in FY 1980. This will include continued development and system installation of the On-Line Inquiry System, the Management Control and Reporting System, and the Budget Development System. In addition, the Departments of Social Services, Transportation, Agriculture, and Conservation and the State Auditor's office will be converted to the Management Control and Reporting System. With the implementation of the On-Line Inquiry System and the conversion of the remaining agencies to the Management Control and Reporting System in FY 1981, the design, development, and implementation of the Financial Management and Control System is expected to come to a close.

Personnel Accounting and Reporting System (PARS) Development - The Governor recommends continued development of an improved and expanded statewide payroll system. In FY 1980 the detail design and payroll system installation will be completed. This consists of direct submittal of time reports, an updated payroll/personnel master file, a position management system, and the ability to easily update, compare, and report personnel data.

JUDICIARY

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Supreme Court	\$ 2,521,334	\$ 3,404,695	\$ 4,569,357	\$ 4,543,488
Circuit Court Salaries and Expenses	11,005,786	12,748,612	17,481,270	17,481,270
Public Defender Commission	2,552,473	2,726,153	3,306,923	3,280,047
Commission on Retirement, Removal and Discipline of Judges	54,500	43,000	62,468	58,183
Mo. Court of Appeals - Eastern District	1,038,639	1,249,372	1,341,275	1,319,253
Mo. Court of Appeals - Western District	716,437	1,032,621	1,150,886	1,144,752
Mo. Court of Appeals - Southern District	531,407	697,169	819,370	811,861
TOTAL	\$ 18,420,576	\$ 21,901,622	\$ 28,731,549	\$ 28,638,854
General Revenue Fund	17,059,865	20,111,414	27,124,735	27,032,824
Federal Funds	1,110,711	1,540,208	1,606,814	1,606,030
Court Judicial Fund	250,000	250,000	-0-	-0-
Full-time equivalent employees	761.25	788.55	922.85	922.85

POLICY SUMMARY

MAJOR RECOMMENDATIONS

- I. The Governor's recommendation provides the Supreme Court with funds necessary to implement House Bill 1634 passed in the 2nd Regular Session of the 79th General Assembly. This legislation, the result of the adoption of a 1976 adendment, Senate Joint Resolution-24, significantly reorganizes all trial courts in Missouri into one court -- the circuit court. Provisions are made for three categories of judges -- circuit judges, associate circuit judges, and municipal judges.

House Bill 1634 has a substantial impact on the state budget, as it will provide for a large number of previously county funded positions to be funded by the state and the creation of numerous new positions. The major additional costs recommended by the Governor are \$585,000 for thirteen additional circuit judges, \$644,300 for twenty associate circuit judges, \$292,500 for thirteen additional court reporters, \$1,770,000 for court reporters' pay raises and assumption of county costs, \$376,250 for assumption of county costs for juvenile officers, \$89,600 for additional division clerks, \$255,000 for probate and juvenile commissions, and \$450,135 for newly authorized presiding judges' staff.

In addition, the Governor recommends that the Supreme Court, designated the Head of the Judicial Department by House Bill 1634, be funded for other requirements in House Bill 1634. These include \$15,000 for municipal judges certification, \$542,875 to fund additional staff to assume central personnel, budget, recordkeeping, and payroll functions, and \$246,020 for a circuit court contingency fund.

- II. Numerous other bills, passed in the previous two sessions of the General Assembly, involve additional statutory fund expenditures. These include \$282,061 for House Bill 1375 which provides for pay increases for public defenders and assistant public defenders, \$98,768 for Senate Bill 729 which provides for one additional judge and staff on the Missouri Court of Appeals - Southern District and \$255,226 for Senate Bill 506 which provides for three additional judges and staff on the Missouri Court of Appeals - Western District.

DEPARTMENT OF AGRICULTURE

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Administration	\$ 201,011	\$ 217,907	\$ 257,407	\$ 250,101
Administrative Services	620,129	1,315,850	1,333,176	1,314,493
International Marketing	107,189	182,255	563,818	251,596
Agricultural Development	375,718	481,187	595,485	518,081
Animal Health	1,478,987	2,349,661	3,342,342	2,316,768
Grain Inspection, Weighing and Warehousing	1,624,051	2,420,695	2,454,376	2,245,957
Plant Industries	803,586	1,002,815	1,367,729	1,351,145
Weights and Measures	605,279	679,063	903,668	844,961
Agricultural Emergency Fund	101,938	109,007	132,849	119,090
Fairs	1,672,042	1,822,391	2,128,681	1,886,509
State Milk Board	1,053,220	1,196,483	1,198,492	1,197,890
DEPARTMENTAL TOTAL	\$ 8,643,150	\$ 11,777,314	\$ 14,278,023	\$ 12,296,591
General Revenue Fund	6,006,125	8,256,610	8,313,302	6,393,649
Federal Funds	128,850	179,871	507,757	506,449
Apple Merchandising and Commodity Merchandising Fund	237,386	825,241	814,025	813,368
Highway Fund	65,650	96,665	264,577	259,359
Agriculture Emergency Fund	101,938	109,007	132,849	119,090
State Fair Earnings	1,049,981	1,113,437	1,247,672	1,247,672
Milk Inspection Fee Fund	1,053,220	1,196,483	1,198,492	1,197,890
Grain Inspection Fee Fund	--	--	1,799,349	1,759,114

POLICY SUMMARY

I. Zero-Base Recommendations

The Governor, following a zero base review, recommends the Division of Grain Inspection, Weighing, and Warehousing-Regulating the Sampling of Grain program be discontinued at a savings of \$68,018 in general revenue. The demand for the service was not developed and the program was duplicative of other evaluations.

The Governor also recommends \$131,323 be reduced in the Division of Animal Health expense and equipment core program. The monies were appropriated last year for replacement equipment and for new program start-ups which are non-recurring in FY 1980.

II. Other Major Recommendations

The Governor's recommendation provides the Department of Agriculture with funds to expand its Division of International Marketing to include an office in Singapore. This office will help to secure a larger market share of the expanding export markets in the eastern hemisphere for Missouri based exports. The cost of this office and its personnel is \$77,200 in general revenue funds.

The Governor also recommends eight new employees in the Division of Weights and Measures. These new employees will contribute to a substantial increase in inspections of prepackaged goods and small scales at retail outlets and gasoline pumps.

The Governor further recommends federal funding of the pesticide enforcement program in the Division of Plant Industries. Expanded laboratory services and a more intensive field inspection program will be the benefits of the program.

DEPARTMENT OF CONSERVATION

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Administration and Support Services	\$ 8,010,076	\$ 11,332,596	\$ 11,725,596	\$ 11,590,636
Protection	2,770,489	3,394,664	3,598,239	3,543,973
Wildlife	3,121,259	4,140,245	4,340,700	4,278,240
Fisheries	3,398,375	4,652,292	4,871,665	4,816,899
Forestry	4,429,738	6,290,182	6,586,672	6,511,874
TOTAL	\$ 21,729,738	\$ 29,819,396	\$ 31,122,872	\$ 30,741,622
General Revenue	221,167	223,839	245,003	245,003
Conservation Commission Fund	21,508,770	29,595,447	30,877,869	30,496,619
Full-time equivalent employees	1,323.3	1,399.1	1,399.1	1,399.1

POLICY SUMMARY

The Governor's recommendation for the Department of Conservation provides funding at the FY 1979 level with adjustments for cost-of-living and inflationary increases. The Governor's FY 1980 recommendation represents the third step in the implementation of the Design for Conservation. The Design for Conservation directs the Department's efforts to purchase, develop and maintain lake sites, wetlands, springs, upland game habitat, and forest land throughout Missouri.

DEPARTMENT OF NATURAL RESOURCES

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Office of the Director	\$ 293,188	\$ 327,668	\$ 356,305	\$ 339,863
Historic Preservation Program	1,162,653	1,709,903	2,290,739	2,274,977
Division of Management Services	566,449	673,210	950,631	809,984
Division of Energy	1,555,445	19,932,616	16,408,364	16,346,669
Division of Environmental Quality	12,078,241	45,805,701	44,733,628	34,517,615
Division of Geology and Land Survey	1,303,833	1,854,980	2,644,068	2,256,530
Division of Parks and Recreation	15,309,278	21,831,183	23,557,331	15,607,513
DEPARTMENTAL TOTAL	\$ 32,269,087	\$ 92,135,261	\$ 90,941,066	\$ 72,153,156
General Revenue Fund	11,625,572	13,793,401	17,833,409	11,877,864
Federal Funds	19,284,521	48,022,060	48,131,506	39,221,166
Other Funds	1,358,994	30,319,800	24,976,151	21,054,126
Full-time equivalent employees	774.25	917.95	1,067.65	938.91

POLICY SUMMARY

I. Zero-Base Recommendations

The Governor's recommendations were based on a comparative analysis of existing programs and program expansions. Major core reductions were recommended in the Division of Environmental Quality and are described below.

Public Drinking Water Program: The Governor recommends deletion of \$3,000,000 in general revenue for water and sewer grants. This deletion is partially offset by alternative federal funding of construction projects. The Governor's recommendation also represents a shift in state assistance toward implementation of the safe drinking water legislation (S.B. 509). \$500,000 in federal funds is recommended for this purpose.

Soil and Water Conservation Program: The Governor recommends deletion of \$300,000 in general revenue for watershed planning. Increased soils information, as provided by the recommendation to increase soil surveys, is considered a more effective means to control soil erosion and reduce water pollution. Primary responsibility for watershed planning will continue under the U.S. Department of Agriculture.

Water Pollution Control Program: The Governor's recommendation reduces 31 positions from construction grants administration and deletes \$2,000,000 in the Revenue Sharing Trust Fund for storm water control. The Governor recommends that storm water control projects remain a local responsibility.

II. Other Major Recommendations

The Governor's recommendation for the following program expansions reflect greater priority over those core programs reduced through zero-base review. The Governor recommends an increase of \$418,578 for the programs of air pollution control, solid waste management and water pollution control to implement state and federal legislation. \$1,300,000 is recommended for increased federal grant assistance to local entities through the programs of soil and water conservation, water resources planning and land reclamation. Reductions from the departmental request for federal grants reflect availability of funds. The Governor also recommends an increase of \$137,474 in general revenue for the land survey program to provide land records documents to the public and to restore land survey monuments.

DEPARTMENT OF CONSUMER AFFAIRS, REGULATION AND LICENSING

DEPARTMENTAL SUMMARY

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Administrative Services	\$ 381,740	\$ 548,494	\$ 659,730	\$ 587,784
Regulatory Programs	8,348,494	10,732,083	14,411,936	12,516,845
Community and Economic Development Programs	5,950,999	8,057,896	14,465,259	6,750,494
Professional Registration Boards	1,727,361	2,263,611	2,815,732	2,620,789
DEPARTMENTAL TOTAL	\$ 16,408,594	\$ 21,602,084	\$ 32,352,657	\$ 22,475,912
General Revenue Fund	10,096,261	11,952,232	20,487,224	12,254,733
Federal Funds	954,726	2,331,848	1,966,363	1,741,983
Other Funds	5,357,607	7,318,004	9,899,070	8,479,196
Full-time equivalent employees	707.28	766.96	898.85	818.41

POLICY SUMMARY

I. Zero Base Recommendations

The Governor's recommendations are the result of a zero-base review of each Division in the Department of Consumer Affairs, Regulation and Licensing. The zero-base review resulted in a total general revenue reduction of \$1,200,000 from the Department's current appropriations.

These reductions include \$1,000,000 from the program grants allocated by the Missouri Council on the Arts. Because the arts are supported by private organizations in the state, and because a \$1,000,000 reduction in grant levels will still place Missouri approximately twelfth in the nation in state per capita funding for the arts, this recommended reduction need not curtail arts programs in Missouri.

In the Division of Tourism, the Governor recommends a reduction of \$200,000 from the advertising budget. This reduction will be offset by tourism promotion by local government and private organizations. Based on recent data collected by the Council of State Governments, this reduction in advertising will not affect travel/tourism with the state.

II. Other Major Recommendations

Administrative Hearing Commission

Senate Bill 661 passed by the 79th General Assembly substantially increased the jurisdiction of the Administrative Hearing Commission. Due to this increased jurisdiction, the Governor recommends the Commission staff be increased from eight to sixteen employees. The total cost for these additional employees, including related expense and equipment, is \$258,360.

Division of Commerce and Industrial Development

The Governor recommends \$167,271 to support the activities of the 41-member Economic Development Advisory Council. The Council, consisting of government, business, and labor leaders from across the state, advises the governor and state economic development officials on issues related to Missouri's economy.

The Governor also recommends \$69,625 for an existing business assistance program. The staff will assist local and regional governments in alleviating problems identified by businesses in their areas.

Missouri Public Service Commission

So that the Public Service Commission can handle substantial increases in workload and conduct necessary research and analyses, the Governor recommends \$1,039,129 for 18 additional employees and additional data processing and equipment expenses.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Departmental Administrative Services	\$ 266,164	\$ 331,933	\$ 410,519	\$ 393,385
Division of Employment Security	76,442,456	114,606,329	151,533,979	142,170,168
Board of Mediation	27,491	46,079	71,468	69,270
Division of Labor Standards	435,958	1,213,858	1,406,242	1,039,224
Division of Workmen's Compensation	2,392,074	3,073,502	3,473,385	3,242,510
Commission on the Status of Women	-0-	-0-	15,000	15,000
Governor's Committee on the Employment of the Handicapped	-0-	57,780	137,108	122,530
DEPARTMENTAL TOTAL	\$ 79,564,143	\$119,329,481*	157,047,701	147,052,087
General Revenue Fund	554,581	748,440	1,125,151	855,168
Unemployment Compensation Admin- istration Fund (Federal)	76,289,773	113,101,976	150,739,982	141,370,003
Unemployment Compensation Admin- istration Fund (Department of Social Service - Work Incentive Program)	247,787	400,000	400,000	400,000
Workmen's Compensation Fund	1,779,357	2,203,336	2,523,487	2,288,135
Federal Funds	42,680	753,316	717,785	597,485
Special Employment Security Fund	-0-	1,222,413	541,296	541,296
Second Injury Fund	649,965	900,000	1,000,000	1,000,000
Full-time equivalent employees	3,162	3,995	4113.7	3844.7

* Includes Recommended Emergency Appropriation of \$200,000 from the Second Injury for the Division of Workmen's Compensation.

POLICY SUMMARY

Major Recommendations

Departmental Administrative Services

The Governor recommends \$30,325 for the addition of one chief counsel to the legal staff of the Labor and Industrial Relations Commission. This recommendation is based on the increased workload resulting from the increase appeals to the Commission from the Appeals Tribunal of the Division of Employment Security.

Division of Employment Security

The Governor recommends that the Division of Employment Security receive an increase of \$25,806,353 in funds provided by the Division of Manpower Planning through the Comprehensive Employment and Training Act (CETA). This increase is based on an anticipated increase in federal funds for public service employment and the employment opportunity pilot program.

Division of Labor Standards

The Governor recommends \$203,478 for implementation of an On-Site Consultation Service. Upon request of private employers, the Division of Labor Standards will provide on-site inspections to identify hazards and recommend means for eliminating them. The federal government will provide 90% of the funding for this program.

Governor's Committee on Employment of the Handicapped

The Governor recommends \$54,614 for the addition of two area coordinators and two part-time secretaries. One area coordinator will be utilized in St. Louis and the other in Jefferson City. These two positions will allow the committee to divide the state into workable areas of responsibility.

DEPARTMENT OF PUBLIC SAFETY

DEPARTMENTAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Office of the Director	\$ 143,874	\$ 203,665	\$ 505,677	\$ 367,765
Missouri State Highway Patrol	33,320,597	37,448,693	44,459,708	42,541,751
Division of Water Safety	1,159,671	1,303,909	2,308,346	1,427,948
Division of Liquor Control	1,356,375	1,550,429	1,857,215	1,625,962
State Fire Marshal	267,954	405,815	699,791	487,088
Division of Highway Safety	5,736,833	10,197,748	12,265,180	12,239,184
Missouri Council on Criminal Justice	23,697,690	20,876,755	24,185,873	24,140,727
Adjutant General - Missouri Military Forces	2,320,460	2,792,833	2,892,818	2,785,704
Adjutant General - Disaster Planning and Operations	8,752,356	7,587,114	7,804,061	7,653,536
DEPARTMENTAL TOTAL	\$ 76,755,810	\$ 82,366,961	\$ 96,978,669	\$ 93,269,665
General Revenue Fund	6,824,986	7,930,723	10,925,656	8,529,166
Federal Funds	38,717,322	40,914,932	46,648,849	46,102,153
Highway Funds	31,213,502	33,521,306	39,404,164	38,628,346
Highway Patrol Academy Fund	-0-	-0-	-0-	10,000
Full-time equivalent employees	2,143.25	2,167.55	2,316.65	2,229.05

POLICY SUMMARY

I. ZERO-BASE RECOMMENDATIONS

Highway Patrol

The Governor recommends, following a zero-base review, that vehicle replacements in the Enforcement Program be funded at 100% of the FY 1979 level. This funding will ensure continued patrol of Missouri highways at present levels.

Following a review of Weight Inspection Program activities, the Governor recommends a reduction in the core budget of \$194,911 and 9 weight inspectors.

The Enforcement Program was reviewed and a core reduction of \$375,751 is recommended to delete funds for one-time expense items.

Division of Liquor Control

A zero-base review of the audit section of this Division has resulted in a recommendation to continue funding at the FY 1979 level. This funding will ensure needed review and monitoring of Missouri's liquor industry.

Fire Marshal

The investigation activities of this Division were zero-base reviewed and have resulted in a recommendation to continue these activities at their FY 1979 level of funding. This level will ensure that suspected cases of arson will not go uninvestigated.

Water Safety

Following a review of this program the Governor recommends a core reduction of \$90,000 to bring the equipment replacement program more into align with the expected useful life of equipment now owned.

Adjutant General - Disaster Planning Operations Office

The Nuclear Civil Protection Planning and Radiological Systems Maintenance Programs of this office were studied in a zero-base review. The Governor recommends that these two programs be continued at their FY 1979 level of funding to guarantee that Missouri is prepared to meet a nuclear disaster should it occur.

POLICY SUMMARY (Continued)

II. OTHER MAJOR RECOMMENDATIONS

Highway Patrol

The Governor recommends full funding of a salary increase passed by the 79th General Assembly for uniformed highway patrolmen. Funding is also recommended for the 50 additional patrolmen allowed by the 79th General Assembly. The Governor recommends \$8,000 for minority recruiting to assist in attracting minority individuals to a career in the Highway Patrol.

Water Safety

The Governor recommends \$119,630 and 5 personnel for expansion of the Water Patrol as a result of the increase in area of water available for recreation in Missouri that must be patrolled.

Fire Marshal

The Governor recommends \$67,925 and 3 personnel for increased expenses for this Division so that it can effectively investigate arson cases in Missouri.

Missouri Council on Criminal Justice

The Governor's recommendation includes \$221,536 from the general revenue fund to avoid a decrease in the operating budget of the Council's staff as a result of the loss of federal funds.

DEPARTMENT OF HIGHWAYS

FINANCIAL SUMMARY

H.B. Sec. 8.010, 8.020	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Department Administration	\$ 19,844,947	\$	\$	\$
Highway Commission and Staff		1,053,431	1,102,132	1,093,546
Operations of Assistant Chief				
Engineer-Planning & Design		1,089,472	1,185,249	1,165,724
Operations of Assistant Chief				
Engineer-Operations		2,272,785	2,490,997	2,449,477
Operations of the Controller		1,419,649	1,568,749	1,540,884
District Engineers and Admin-				
istrative Staffs		5,349,314	5,821,980	5,730,233
Fringe Benefits and Salary				
Adjustments		12,200,653	14,102,220	13,921,479
Mississippi River Parkway				
Planning Commission	3,054	7,500	10,000	10,000
PROGRAM TOTAL	\$ 19,848,001	\$ 23,392,804	\$ 26,281,327	\$ 25,911,343
Personal Service				
State Highway Fund	\$ 16,965,333	\$ 19,514,880	\$ 21,647,059	\$ 21,277,075
Expense and Equipment				
General Revenue Fund	3,054	7,500	10,000	10,000
State Highway Fund	2,879,614	3,870,424	4,624,268	4,624,268
TOTAL	\$ 19,848,001	\$ 23,392,804	\$ 26,281,327	\$ 25,911,343
General Revenue Fund	3,054	7,500	10,000	10,000
State Highway Fund	19,844,947	23,385,304	26,271,327	25,901,343
Full-time equivalent employees	687	687	687	687

DEPARTMENT OF TRANSPORTATION

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Department Director	\$ 146,843	\$ 164,710	\$ 172,937	\$ 170,487
Division of Transit	1,605,667	4,340,211	9,790,871	9,264,646
Division of Railroads	65,149	3,879,678	2,909,799	2,663,725
Division of Aviation	433,263	312,557	528,404	372,098
Division of Waterways	47,174	196,714	465,062	284,370
DEPARTMENTAL TOTAL	\$ 2,298,096	\$ 8,893,870	\$ 13,867,073	\$ 12,755,326
General Revenue Fund	818,648	1,169,484	2,453,941	1,386,054
Federal Funds	1,357,424	6,853,136	10,784,382	10,740,522
Other Funds (Local)	122,024	871,250	628,750	628,750
Full-time equivalent employees	20	21	34	29

POLICY SUMMARY

The Governor's recommendations include personnel expansions for the Division of Transit (34.0 FTE) and the Division of Railroads (3 FTE) at a cost of \$111,542 in response to the increasing program demands on those divisions.

The Governor proposes an increase in the Port Assistance Grant program of \$90,000 to allow for participation by the St. Louis County and the Kansas City port authorities. A 7 percent increase in Support for State Aid for Transportation for Elderly, Handicapped, and Low Income Citizens is also included in the recommendation.

DEPARTMENT OF MENTAL HEALTH

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Mental Health Commission	\$ -0-	\$ -0-	\$ 200,382	\$ 3,065,033
Central Office	24,213,967	31,598,862	43,267,988	41,264,003
Comprehensive Psychiatric Services	71,479,698	78,910,507	100,120,313	86,307,061
Mental Retardation/Developmental Disabilities	49,032,133	57,219,484	72,168,091	60,742,458
Alcohol and Drug Abuse	6,612,811	9,161,348	11,010,309	9,708,099
DEPARTMENTAL TOTAL	\$151,338,609	\$176,890,201	\$226,767,083	\$201,086,654
General Revenue Fund	132,055,232	158,782,732	206,750,899	179,205,575
Federal Funds	12,201,614	18,107,469	19,016,184	20,881,079
Other Funds	7,081,763	-0-	1,000,000	1,000,000
Full-time equivalent employees	11,276.76	11,388.74	13,073.89	11,285.93

POLICY SUMMARY

I. Zero-Base Recommendations

Governor Teasdale announced on July 7, 1978, his intent to create a mental health system for Missouri "Comprehensive In Scope, Consistent in Delivery and Commensurate with Need." The Department of Mental Health, he charged, had failed both to deliver high-quality care and to plan for an integrated, statewide system. The Governor pledged his commitment to aid the Mental Health Commission and gave the Commission an unprecedented mandate to restructure and redirect the Department.

Budgets translate long-term goals into annual programs for action. Governor Teasdale's FY 1980 budget for Mental Health embodies the tenets of his long-term objectives: active and creative leadership for the Department, effective and humane treatment, efficient use of resources, a new partnership among state and other agencies and a continuity of care ranging from institutional to extended, community-based services.

The Governor's recommendations rest on intensive study of the Department's treatment programs, its financial base and the use of resources within the Department. He selected three areas for zero-base review but recommends major initiatives in other programs as well.

Direct Care Staff

As part of his analysis of Department's existing resources, the Governor extended last year's zero-base review of institutional support staff to direct care staff. Psychiatric aides, developmental aides for the developmentally disabled, and hospital attendants together comprise more than 35% of the Department's employees. In spite of this prominence and their role with residents, the study revealed that the Department has no consistent method to allocate direct care staff among its institutions. Overstaffing has meant wasted resources. Under staffing has jeopardized residents' well-being.

The Governor recommends reallocating resources within the Department and eliminating 407.3 direct care staff positions at a savings of \$2,825,033. His recommendation is based on stringent staff levels required by the federal government and is a design for the Department's first method of staff allocation which is both consistent and founded on the treatment needs of its patients. A detailed account of the analysis which underlies the Governor's decision follows this section.

DEPARTMENT OF MENTAL HEALTH

POLICY SUMMARY (Continued)

Patient Placement

The Governor's zero-base review of the patient placement program identified the potential for significant expansion in community-based care and treatment. The patient placement program locates and maintains in community facilities patients who otherwise would require institutionalization. Group homes, boarding homes, nursing homes and residential learning centers provide needed treatment while maintaining residents in the least restrictive settings possible. Patient placement thus complements services which are best provided in institutional settings and is an integral part of the concept of a continuum of care.

The Governor recommends \$1,067,070 to fund 600 additional patients to be placed in the community during FY 1980, \$577,500 to continue care of patients placed during FY1979 who presently reside in the community and \$1,333,226 to fund the higher rates established by S. B. 492 passed by the 79th General Assembly, Second Session. Combined with the last item will be higher licensure standards implemented by the Departments of Mental Health and Social Services.

The Governor also directs the Department to improve the information system which matches patients' needs with placement facilities' programs and to monitor patients' treatment, safeguarding them against neglect and abuse.

Services Provided from Community-Based Providers

As part of its effort to provide treatment in normalized settings, the Department purchases a variety of services from community-based providers. Services include diagnosis, treatment, and ancillary services which help maintain clients in community environments. Purchased services are available to persons who would otherwise be unable to afford them, including the developmentally disabled, the mentally ill and alcohol and drug abusers.

Providers are paid under a unit cost system which ensures accountability and the provision of services to needy clients. Two appropriations are made for the purchasing of services. One appropriation, comprised mainly of funds collected through the Title XX Program, is used to reimburse community-based agencies who have contracted with the Department to provide mental health services. The second appropriation is earmarked for community mental health centers and counseling and service centers located in areas where other mental health services are difficult to obtain.

The Governor recommends \$1,900,000 to purchase 1,456,958 more units of service than in FY 1979 and to provide for inflation in unit costs. He also recommends \$2,529,926 to purchase over 68,000 additional units of service from 10 community mental health centers and 22 counseling and service centers.

Along with these funding expansions, the Governor directs the Department to design and evaluate purchased services.

II. Other Major Recommendations

Resources for Decisive Leadership

The Mental Health Commission is the statutory head of the Department of Mental Health. Appointed by the Governor with the advice and consent of the Senate for six-year terms, these seven citizens establish the Department's goals, design its long-term plans and review its administration and programs on a continuing basis.

To rejuvenate and redirect Missouri's mental health system, the Commission needs resources it never before has had. The Governor makes two recommendations essential for decisive leadership. First, he proposes to equip the Commission with a full-time professional staff responsible directly to the Commission and autonomous of the Department. Two professional positions and one clerical staff member will help the Commission design plans for immediate action and a long-term strategy of mental health services in the state. Detailed analysis of the Department's managerial and information needs will be available to the Commission through expert contracted consultants. The Governor recommends \$120,000 for the planning staff and \$120,000 for consultants' services.

Second, the Governor recommends financial resources for the Commission. The Commission will be appropriated the \$2.8 million saved as a result of the direct care staff analysis to use for improved institutional care consistent with the Commission's strategic plans for the Department.

DEPARTMENT OF MENTAL HEALTH

POLICY SUMMARY (Continued)

Resources for Improved Management

The Commission's active leadership must be complemented with the necessary managerial resources. The Governor recommends these increases for work critical to patients' rights, program planning and financial control:

- An admissions coordinator and five staff will implement patients rights established by S. B. 651 (79th General Assembly, Second Session) at a cost of \$127,180.
- Two new professional evaluators will serve the psychiatric and developmental disabilities program at a cost of \$46,267.
- Three regional directors in the Division of Alcohol and Drug Abuse will provide evaluation, technical assistance and program monitoring for the three rural regions now lacking these services. The cost will be \$127,180 for the directors and 4 clerical positions.
- Seven auditors will improve the monitoring and financial accountability of contracted providers at a cost of \$134,935.

In addition, the Governor recommends \$780,004 to replace obsolete data processing equipment with a system which has the capacity and versatility needed to provide information on management and on patients' well-being.

Maintain Recognized Standards of Care

The overriding mission of the Department of Mental Health is to deliver high-quality mental health services. This necessarily implies that standards be adopted and that the Department's work be examined periodically to determine that those standards are met.

Federal certification standards which apply to Department of Mental Health facilities cover the full range of services essential to high quality care. One critical area is the number and qualifications of professional staff. Federal standards establish the levels of appropriately trained professionals needed to serve the needs of institutional clients.

The Governor's recommendations for operating and capital items in the Department's FY 1980 budget recognize HEW standards. The recommended direct care staffing levels are premised on federal standards of care. Capital items which will correct cited deficiencies appear in a separate section of the budget. The Governor recommends 68 professional staff at a cost of \$872,356 in order to correct deficiencies cited under the federal regulations. These include 59 graduate nurses, 4 activity aides, 4 psychiatric aides, and 1 occupational therapist. He also recommends \$62,000 to purchase laboratory and testing services cited as deficient at Western Missouri Mental Health Center.

DEPARTMENT OF SOCIAL SERVICES

DEPARTMENTAL SUMMARY

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Departmental Administration	\$ 32,226,860	\$ 50,750,507	\$ 44,252,951	\$ 36,131,163
Division of Health	56,918,441	73,935,840	85,853,119	80,518,932
Division of Aging Services	-0-	-0-	189,544,595	190,440,145
Division of Family Services	502,407,945	616,970,142	600,932,798	531,963,056
Division of Veterans Affairs	2,237,726	2,483,163	2,741,542	2,348,871
Division of Corrections	30,818,869	35,116,894	44,353,452	37,435,433
Division of Youth Services	10,941,907	13,241,349	13,549,402	13,922,535
Division of Probation and Parole	6,667,159	7,999,075	11,127,638	8,816,563
Manpower Planning	54,343,284	102,319,409	96,623,356	102,512,963
DEPARTMENTAL TOTAL	\$696,562,191	\$902,816,379	\$1,088,978,853	\$1,004,089,661
General Revenue Fund	267,147,240	308,246,208	417,758,096	370,101,700
Federal Funds	401,728,240	556,642,916	635,266,960	602,720,452
Other Funds	27,686,711	37,927,255	35,953,797	31,267,509

POLICY SUMMARY

I. Zero-Base Recommendations

The Governor's budget recommendations for the Department of Social Services in FY 1980 follow close zero-base scrutiny of its operations to identify areas of ineffective and wasteful spending. Overall, Governor Teasdale recommends that 277 staff positions and \$27,851,667 be cut from the Department's core budget. The individual zero-base cuts are discussed in detail in the following sections.

Central Clerical Staff

The Governor recommends cutting 27 clerical positions, 23 in the Finance Division and 4 in the Division of Personnel, to reflect economies of scale which will follow the centralization of these functions at the department level. The \$220,732 savings will offset the cost of central administration for the new Division of Aging Services.

Welfare Administrators

The Governor recommends eliminating 165 staff positions in Income Maintenance administration and 45.5 associated clerical positions in Administrative Services. The reduction the Governor made in welfare staff in Fiscal Year 1979 reflected the 9.4 percent drop in caseload between June and October, 1977. The total caseload had declined by an additional 7.7 percent as of October, 1978, and the Governor recommends a corresponding 7.7 percent reduction in staff who administer the welfare programs. He also recommends a reduction in the staff development unit of the Income Maintenance Section. This is a training unit and the Governor proposes a core cut in proportion to the 9.4 percent and 7.7 percent reductions in the number of welfare workers it trains, that is, 7 positions at a \$99,752 savings.

Veterans Information and Referral

The Service to Veterans Program employs 70 staff. The Governor's zero-base review has determined that these state employees substantially duplicate the extensive services which the U.S. Veterans Administration delivers through its more than 20 service offices in Missouri and through the U.S. Veterans Administration telephone service which can be reached, toll-free, from all points in Missouri. The program also duplicates the work of Missouri's many voluntary veterans service associations. The Governor therefore recommends eliminating 29.2 staff in order to reduce staff to the level of the most efficient of the Division's seven districts, with specialized staff retained to handle appeals in the St. Louis office. The savings is \$341,462 in General Revenue.

DEPARTMENT OF SOCIAL SERVICES

POLICY SUMMARY

ZERO-BASE RECOMMENDATIONS (Continued)

Maintenance and Support Staff

The Division of Youth Services operates three large residential institutions which employ a total of 371 support staff. Zero-base analysis had determined that the ratio of support staff to resident youth varies significantly among the three institutions and the Governor recommends eliminating 10 positions to achieve parity. His decision will save \$106,083 in General Revenue.

Scoliosis Screening

School nurses and public health nurses, as well as other medical professionals, routinely check children for scoliosis, curvature of the spine. The Governor recommends eliminating \$200,000 in state funds and 9 staff who duplicate the screening already done by others.

Child Abuse and Neglect Workers and Staff for Job Training

The Governor's analysis of Social Services Administration confirmed that the child abuse and neglect workload continues to grow and that the Work Incentive job training program has the potential to move additional welfare clients into productive jobs. Additional resources are needed. The Governor recommends \$417,473 to add 50 professional staff to the child abuse and neglect effort and to the WIN program. An expansion in foster care will be needed to accommodate the additional abused and neglected children who require temporary alternative care. The Governor recommends \$518,875 to purchase foster care for 394 additional children per month and \$110,000 in federal funds to make the information in the Child Abuse and Neglect Registry more readily accessible by converting it from manual to computerized operation.

Multidisciplinary Treatment

In addition to determining staff needs, zero-base review of Social Services administration revealed that the Division of Family Services uses a \$1,310,640 appropriation identified with multidisciplinary treatment to contract for day care, counseling, and other services available under conventional purchase of services appropriations. The Governor recommends a \$310,640 core reduction in this appropriation for purchase of service and he encourages the Division to develop a genuinely multidisciplinary treatment approach for abused and neglected children and their families as mandated by Missouri's Child Abuse and Neglect Statute, RSMo 210.145.

Aid to Families with Dependent Children (ADC) - \$15,693,396

The ADC caseload continues to decline at an average rate exceeding 1 percent per month. The reasons include more stringent eligibility criteria and other statutory changes first implemented in 1977 and an increasingly healthy state economy.

General Relief Welfare Payments

As with the Aid to Dependent Children appropriation, the Governor recommends a core cut in General Relief based on the projection of a continued caseload decline of 0.6 percent per month. The General Relief caseload will drop to an average of 4,126 persons per month in FY 1980. The Governor's recommendation will save \$759,720 in General Revenue, 19 percent of the 1979 appropriation.

Medicaid

The number of Medicaid clients receiving assistance has been declining significantly, largely because the number of Aid to Dependent Children recipients has declined. For most Medicaid services this has been offset by the shift to an increasingly elderly clientele which needs more frequent and costly services. The effects are most evident in the diminished use of Medicaid family planning and dental services. The Governor's recommendation for both reflects the actual service levels of the first quarter of Fiscal Year 1979. The Governor recommends reductions of \$988,340 in dental services and \$2,422,116 in family planning and other small Medicaid services. Clients who want and need these services still will receive them. The Governor's recommendation simply takes into account the continuing drop in demand due to falling welfare caseloads.

DEPARTMENT OF SOCIAL SERVICES

POLICY SUMMARY

ZERO-BASE RECOMMENDATIONS (Continued)

Federal Funds for Foster Care Services

Federal funds for foster care services under Title IV-B of the Social Security Act were appropriated for FY 1979. The Governor recommends deleting the appropriation in its entirety since Congress has not acted to fund these services.

Day Care

The Governor recommends a reduction of \$2,234,720 in the appropriation for subsidized day care. This program left more than \$1.9 million unspent in FY 1978 and will return significant unspent funds in FY 1979 as well. The reason is tied to the Aid to Dependent Children caseload decline. The remaining funds, \$12,420,222, will be sufficient to accommodate 8,948 children and still allow a 5.5 percent increase in the rates paid to day care centers.

Special Health Projects

The Division of Health uses funds from various appropriations to buy equipment for local public health agencies and to stage demonstration projects. Zero-base analysis determined that other funds are available for these ad hoc projects. The State Bureau of Emergency Medical Services, for example, has funds to buy ambulances for local districts in a planned and integrated manner. The Governor recommends cutting \$240,000 from the Special Projects core. He also has directed the agency to include a \$100,000 core item allocated to its own use in the budget section devoted to divisional administration.

Payments for Specialized Medical Equipment

The Prevention of Mental Retardation program in the Division of Health reimburses hospitals both for their services to "high risk" pregnant women and children and, up to a limit of 10 percent of the appropriation, buys specialized equipment for those hospitals. Analysis determined that hospitals can include the cost of that equipment in their claims for reimbursement. The Governor recommends this practice be stopped and that the reserved 10 percent share of the appropriation, \$355,050 in General Revenue, be eliminated.

State Health Laboratory

Zero-base analysis of the State Health Laboratory reveals significant potential to generate revenue which will offset part of the Laboratory's operating cost and provide a mechanism to regulate the Laboratory's workload. Currently, no fees are charged. The Governor directs the Division to implement a fee structure, no later than July 1, 1980, which will charge users according to their ability to pay with due attention to maintaining the quality of health.

Aftercare

Aftercare for juvenile offenders is analogous to probation and parole for adult offenders. Aftercare is significantly less expensive than residential treatment, and is at least as safe for society. Zero-base review showed that the Division of Youth Services is spending more general revenue than is necessary on the program. The individual counseling produced in Aftercare is reimbursable under Title XX of the Social Security Act. The Governor recommends that \$400,670 of the general revenue now spent on Aftercare be saved by using Title XX funds instead.

DEPARTMENT OF SOCIAL SERVICES

POLICY SUMMARY (Continued)

11. OTHER MAJOR RECOMMENDATIONS

In-Home Services - The Governor recommends \$1,904,527 to increase by 50% the number of in-home services and to allow a 5.5% cost-of-living increase over present hourly rates. Homemaker and chore services help the low-income elderly who otherwise would need costly institutional care to live in their homes and to retain their independence.

Aid to Families with Dependent Children - Consistent with his recommendation of a 5.5% cost-of-living increase for state employees, the Governor recommends that ADC families receive a 5.5% increase in their monthly grants. This \$7,619,916 amount will help Missouri's poorest and most vulnerable citizens avoid a reduction in the purchasing power of their income.

Financial Support for the Blind - The Governor recommends \$152,400 to raise the maximum monthly blind pension payment from \$135 to \$160 as provided by H.B. 881, passed by the 79th General Assembly, second session. The bill also requires an additional \$1,295,280 for blind Missourians who receive payments under the adult supplementation program.

Services for the Blind - The Governor recommends \$117,614 in new funds. Of this, \$17,614 will be used to add a third member to the staff which visits homes throughout the state to help prepare young blind children for school. This will reduce the inordinately high ratio of travel to service delivery time. The remaining \$100,000 will cover the cost of increasingly expensive educational materials and equipment and the additional costs incurred in serving a clientele which on the average is more severely handicapped than in the past.

Better Nutrition for Women, Infants and Children - The Supplemental Food Program for Women, Infants and Children now provides special food and nutrition education to needy, high-risk women and their children in 69 Missouri counties. The Governor recommends \$8,750,000 in additional funds to cover all the unserved areas of the state. The program is funded entirely by the federal government.

Improved Cancer Services - The Governor recommends \$249,820 to add 7 specialists in radiation therapy, 3 nurses, a dietician and 2 typists to the staff of Ellis Fischel Cancer Hospital. This will bring the radiation therapy department into compliance with established professional standards. It also will allow the clinic to deal effectively with the growing number of patients it serves and improve patients' diets. The Governor also recommends \$135,000 to replace declining federal support for the Breast Cancer Detection Pilot Program and allow the program to continue working at its current level.

Loans to Medical Students - The second session of the 79th General Assembly passed H.B. 884 to extend loans to 50 medical students annually who will practice in underserved areas of the state. The Governor recommends \$332,231 for the purpose.

Sudden Infant Death Syndrome - The Governor recommends \$50,000 to reimburse counties for autopsies performed in cases of suspected sudden infant death syndrome. This will implement Senate Bill 765, which the General Assembly intends to help ascertain the true incidence of this fatal condition.

Federal Health Improvement and Protection Act - The Federal Health Improvement and Protection Act, passed by the 95th Congress, will make \$2,000,000 available to Missouri in FY 1980. Governor Teasdale recommends that it be used for preventive health services. Local health agencies will use half of the funds; the state will use the other half.

Medicaid - The Governor recommends an aggregate increase of \$89,291,669 above the FY 1979 appropriation. Of this amount, \$34,996,208 is for expanded nursing home services and final payments to nursing homes for services rendered in earlier years. Legislative changes in Medicaid outpatient rates, the range of services provided and eligibility account for \$22,060,371 of the increase. The remaining \$32,235,090 is the effect of rate increases which the reimbursement system allows and of growing rates of utilization by clients.

DEPARTMENT OF SOCIAL SERVICES

POLICY SUMMARY

OTHER MAJOR RECOMMENDATIONS (Continued)

Payments to Residents in Boarding Homes and Non-Medicaid Nursing Homes - The State's "Nursing Care" program makes monthly payments from general revenue to needy Missourians who live in practical and domiciliary nursing homes. Senate Bill 492, passed by the 79th General Assembly, second session, increased the payment rates by 50%, and for the first time added coverage for residents of boarding homes. The Governor recommends \$18,046,860 above the current appropriation to fund the increased cost.

Increased Rates for Providers of Services to Crippled Children - The Governor recommends \$444,572 to increase the rates the Missouri Crippled Children's Service pays to physicians and other medical providers. The increase will counteract the effects of medical inflation since FY 1978.

Division of Aging Services - The Governor recommends creating a new Division of Aging Services by merging parts of the Department which now serve the elderly, but are scattered among the Divisions of Family Services, Health, and Special Services. The new Division will have a core staff of 411 FTE. The new Division will make possible focussed action by nursing and boarding home inspection and licensure teams, the Medicaid nursing home rate and reimbursement section, and sections which provide transportation, meals and in-home services. The Governor recommends \$218,616 to provide 8 staff positions for the Division's central administration. The cost of this increase will be offset completely by core staff cuts in the divisions of finance and personnel. In addition, Governor Teasdale recommends \$1,399,707 for 44 staff who will work to improve the quality of institutional care through licensure, inspection, review of patients' well-being and rate review.

Audit and Investigation Staff - The Governor recommends \$481,724 to add 12 auditors and 11 investigators who will identify fraud and inefficiently used funds, improving the accountability and integrity of Missouri's social services.

Child Support Enforcement - The Governor recommends \$417,473 to hire 22 new professional staff. This corresponds to an anticipated 14.8% increase in the child support caseload. He also recommends establishment of a distinct child support enforcement fund and a shift by the agency to a "profit-and-loss" basis of accountability.

Increased Staff and Expenses in Corrections and Probation and Parole - The Governor recommends an additional \$608,367 to cover food, fuel, utilities and medical cost increases for Corrections. The recommendation includes a total of \$689,494 from the General Revenue Fund for 59 additional staff to maintain and secure three existing institutions and two new facilities at Church Farm and the Missouri State Penitentiary. He also recommends \$573,134 and 35 personnel to implement provisions of H.B. 1634 relating to court reform and S.B. 60 which places additional investigation responsibilities to Probation and Parole.

State Chest and Cancer Hospital - In FY 1979 the Missouri State Chest Hospital and Ellis Fischel State Cancer Hospital were appropriated \$6,040,664 from the now defunct Program Improvement Fund. Because these monies no longer are available in order to compensate for lower earnings than originally anticipated, the Governor recommends an increase over the core appropriation of \$2,767,643 from general revenue and a decrease of \$2,767,643 from hospital earnings fund, and for the Cancer Hospital an increase of \$3,020,332 from general revenue and a decrease of \$3,020,332 from hospital earnings funds.

OFFICE OF THE CHIEF EXECUTIVE

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Governor's Salary	\$ 37,500	\$ 37,500	\$ 37,500	\$ 37,500
Governor's Office and Mansion	680,568	867,538*	1,098,797	1,004,106
National Guard Emergency	95,599	500,000	500,000	300,000
National Governor's Association	29,150	29,150	49,000	49,000
Ozarks Regional Commission	66,000	69,500	76,750	76,750
Governmental Emergency Fund Committee	-0-	150,000	150,000	150,000
Governor's Mansion Preservation Advisory Commission	9,000	9,300	9,300	9,300
Agricultural Emergency Fund	675,000	6,000,000	6,000,000	6,000,000
Advisory Commission on Intergovernmental Relations	-0-	2,000	2,000	2,000
TOTAL	\$ 1,605,317	\$ 7,664,988	\$ 7,923,347	\$ 7,628,656
* Includes \$50,000 recommended in a supplemental appropriation for the costs of hosting the Annual Midwestern Governor's Conference				
Personal Service				
General Revenue	493,069	629,752	720,062	675,371
Expense and Equipment				
General Revenue	224,999	225,286	291,235	291,235
Grants or Refunds				
General Revenue	212,249	809,950	874,550	612,050
Federal Funds	-0-	-0-	50,000	50,000
Agricultural Emergency Fund	675,000	6,000,000	6,000,000	6,000,000
TOTAL	\$ 1,605,317	\$ 7,664,988	\$ 7,935,847	\$ 7,628,656
General Revenue	930,317	1,664,988	1,885,847	1,578,656
Federal Funds	-0-	-0-	50,000	50,000
Agricultural Emergency Fund	675,000	6,000,000	6,000,000	6,000,000
Full-time equivalent employees	39.0	42.0	46.0	44.0

GENERAL ASSEMBLY

FINANCIAL SUMMARY

	EXPENDITURE FY 1978	PLANNED FY 1979	REQUEST FY 1980	GOVERNOR RECOMMENDS
Expenses of the Senate	\$ 3,031,595	\$ 3,385,748	\$ 3,848,333	\$ 3,810,359
Expenses of the House of Representatives	5,169,785	5,983,828	6,515,357	6,492,684
Missouri Commission on Interstate Cooperation	82,578	103,830	113,380	113,380
Committee on Legislative Research	426,048	441,336	547,903	539,806
Publishing Revised Statutes	49,800	443,620	60,000	60,000
Committee on State Fiscal Affairs	191,722	221,351	234,770	231,424
Interim Committees	10,902	37,500	37,500	37,500
TOTAL				
General Revenue Fund	\$ 8,962,430	\$ 10,617,213	\$ 11,357,243	\$ 11,285,153

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